

Message Text

UNCLASSIFIED

PAGE 01 STATE 011634

64

ORIGIN EB-11

INFO OCT-01 EUR-25 ISO-00 SS-20 NSC-10 L-03 H-03 SEC-03

JUSE-00 FTC-01 AID-20 CEA-02 CIAE-00 COME-00 EA-11

FRB-02 INR-10 IO-14 NEA-10 NSAE-00 RSC-01 OPIC-12

SPC-03 TRSE-00 CIEP-02 LAB-06 SIL-01 OMB-01 SSO-00

NSCE-00 INRE-00 /172 R

DRAFTED BY EB/IFD/OIA:CNELLIS/MKENNEDY

APPROVED BY EB/IFD/OIA:MKENNEDY

E:MCASSE

EUR/RPE:FKINNELLY

----- 017821

O P 181947Z JAN 74

FM SECSTATE WASHDC

TO ALL OECD CAPITALS IMMEDIATE

INFO USMISSION OECD PARIS PRIORITY

USMISSION EC BRUSSELS PRIORITY

UNCLAS STATE 011634

FOR ECONOMIC MINISTER/COUNSELOR

E.O. 11652: N/A

TAGS: EFIN

SUBJ: FOREIGN DIRECT INVESTMENT IN USA

1. UNDER SECRETARY CASEY HAS BEEN ASKED TO TESTIFY ON SUBJECT FOREIGN DIRECT INVESTMENT (FDI) IN USA ON JAN. 23 BEFORE STEVENSON SUBCOMMITTEE OF SENATE BANKING, HOUSING, AND URBAN AFFAIRS COMMITTEE. MAIN THRUST OF HIS TESTIMONY IS THAT THE TREATMENT WE ACCORD FOREIGN INVESTMENT IN THE UNITED STATES BEARS A DIRECT RELATIONSHIP TO THE TREATMENT WE EXPECT OUR COMPANIES TO RECEIVE ABROAD. IF THE SUBCOMMITTEE WERE TO ASK FOR SPECIFIC EXAMPLES OF HOW RESTRICTIVE AMERICAN LEGISLATION HAS BEEN OR MIGHT BE UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 011634

CAUSE OR JUSTIFICATION FOR RETALIATION IN OECD COUNTRIES

AND WHAT FORMS SUCH RETALIATION MIGHT TAKE, WE MIGHT HAVE DIFFICULTY PROVIDING FULLY SATISFACTORY ANSWER.

2. WE WOULD MUCH APPRECIATE RECEIVING BEFORE OPENING OF BUSINESS TUESDAY 22ND ANY SUGGESTIONS OR EXAMPLES YOU MIGHT BE ABLE TO PROVIDE FROM INFORMATION READILY

AVAILABLE TO YOU. WE ARE THINKING PARTICULARLY OF POSSIBLE REACTIONS, AS THEY MIGHT RELATE TO ACTUAL OR PROPOSED TREATMENT OF U.S. FDI, SUCH AS

(A) OUR PRESENT POLICIES REGARDING FDI IN THE UNITED STATES (ACCESS TO FINANCING, ANTITRUST LAWS, SEC REGULATIONS, STATE RESTRICTIONS, ETC.), AND

(B) CURRENT LEGISLATIVE PROPOSALS WHICH WOULD SUBSTANTIALLY RESTRICT FDI IN THIS COUNTRY (DENT/GAYDOS BILL WHICH WOULD SEVERLY LIMIT FOREIGN PURCHASES OF SECURITIES OF U.S. FIRMS, PATMAN BILL TO REGULATE FOREIGN BANKING, ETC.).

3. WE REALIZE THAT REACTION TO RESTRICTIVE U.S. LEGISLATION MIGHT BE A SLOW DETERIORATION IN INVESTMENT CLIMATE, AS OPPOSED TO SPECIFIC RETALIATORY ACTS OR REGULATIONS. IF EMBASSY WISHES TO WEIGH IN GENERALLY ON THIS SUBJECT, WE WILL ENDEAVOR TO REFLECT SUCH VIEWS IN Q AND A'S WE PREPARE FOR MR. CASEY. RUSH

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: US CONGRESSIONAL PRESENTATIONS, FOREIGN INVESTMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 18 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974STATE011634
Document Source: CORE
Document Unique ID: 00
Drafter: CNELLIS/MKENNEDY
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740131/aaaabdag.tel
Line Count: 88
Locator: TEXT ON-LINE
Office: ORIGIN EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: martinml
Review Comment: n/a
Review Content Flags:
Review Date: 03 OCT 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <03 OCT 2002 by rowelle0>; APPROVED <20-Nov-2002 by martinml>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FOREIGN DIRECT INVESTMENT IN USA
TAGS: EFIN, US, OECD
To: OECD POSTS
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005